

[in the news](#)[home](#) [site search](#) [org chart](#) [contact us](#) [web comments](#)

BPA participates in power plant proposal

Jobs, cost-effective power are goals

[Click here for other BPA news releases](#)

Bonneville Power Administration

FOR IMMEDIATE RELEASE: THURSDAY, Sept. 28, 2000

PR 74 00

CONTACTS: [Ed Mosey](#), BPA (503) 230-5359

PORTLAND, Ore. – The Bonneville Power Administration said today that it has agreed to participate in a proposal to develop a natural gas-fueled combustion turbine generator planned for Goldendale, Wash. The sponsor of the power project is Golden Northwest Aluminum Inc., owner of two nearby aluminum plants.

In a related matter, Golden Northwest Aluminum has decided to adjust its scheduled power purchases from BPA and resell some of the power into the electricity market, as allowed under its current contract. The company has agreed to use any monetary benefits from these actions to sustain aluminum operations at plants in Goldendale, Wash., and The Dalles, Ore., BPA officials said.

Regarding the power plant proposal, BPA signed a memorandum of understanding with the aluminum company and Goldendale Energy Inc., an independent power producer. The memorandum states that, if a final agreement can be achieved on a commercial basis, BPA will purchase power from the plant when the aluminum producer is not operating or operating at such a reduced level that it can't use all the power.

"We are pleased to participate in a project that has the potential to preserve jobs and help the local economy," said Judi Johansen, BPA administrator. "However, we will do so only on the condition that the project can be built and operated, on a forecasted basis, at no cost to our other customers or to environmental programs funded by BPA."

The plant will generate power for use by the aluminum smelter at Goldendale. In order to obtain financing, Golden Northwest Aluminum must have a reliable purchaser for the power if the aluminum plant should reduce production due to unfavorable conditions in the aluminum market or for other reasons.

"The Northwest is facing a severe shortage of generation and rising electricity prices," said Johansen. "Projects such as this are needed to improve regional reliability. Before we will participate, however, the sponsor of the project must demonstrate to us that the plant can generate power at a very competitive cost."

Johansen said BPA is proposing to enter a 10-year agreement with the plant's sponsors, so the project

must be reviewed by the Northwest Power Planning Council. The council is a four-state agency with responsibility under the Northwest Power Act of 1980 to determine that any large generating resource in which BPA participates is cost-effective.

The related matter involves Golden Northwest's ability to manage its BPA power supply in a way that enables the company to sustain operations in an unfavorable energy market. Golden Northwest hopes to maintain production at 60 percent or more by adjusting scheduled power deliveries and selling some BPA power into the market. Any revenues derived from the sales must be used to support production and jobs, BPA officials stressed.

#
